-M/049/021

From:

Wayne Hedberg

To: Date: Minerals; Steve Alder 4/19/04 10:38AM

Subject:

Call from Dan Powell - Cherry Hill reclamation plans

I received a call from Dan Powell this morning informing me that he had received a call from Steve Powell this past weekend. Steve had advised him that the reclamation/mining deal was "back on" now. Dan told me that Steve had said that they (Nielson Construction and Steve Powell) had signed the papers(contract?) we sent to them and had returned the signed copies back to us. Dan said that they had signed papers and forwarded them on to Steve Powell and Nielsons some time ago. (I'm not sure which papers he was referring to and he didn't clarify this.)

I told Dan I was not aware of our receipt of any signed papers recently, but I would look into it. I told him that our AG (Steve Alder) had tried to work out an agreement that was forwarded onto Dan's attorney many weeks ago, but was never responded to. I also said that our AG's office had subsequently sent a followup letter to Dan's attorney advising him that because of their lack of action/response, we would proceed accordingly with the requirements of the original Board Order.

Dan said that when he hadn't heard anything back from Steve or the Nielson's, he had been working on a backup plan. He said his plan was not to file a bond, but to have another party perform the reclamation work for him. All but a small disturbed area would be reclaimed and reseeded. He then planned to permit, bond and mine this smaller area. He said he was ready to implement this plan now, but felt he had to follow through with the earlier Steven Powell/Nielson Construction agreement that he had already committed to first (in response to his recent call from Steven Powell).

He asked that I respond back to him as soon as possible on our decision. I told him I would forward this information onto Mr. Alder and our upper management, but that I had no input into the decision making process at this time.

Joelle, please make a copy of this email for the mine file.

CC:

Mary Ann Wright